

# ***Latvian Recycling Company***

## ***Investment proposal***

LRC has found a possibility to establish used oil recycling business in Latvian Republic. After joining European Community in 2004 Latvia took obligations to adopt and follow strict environmental legislation including EU directives 75/439/EEC, 87/101/EEC: "Article 3. 1. *Where technical, economic and organizational constraints so allow, Member States shall take the measures necessary to give priority to the processing of waste oils by regeneration.*"

More than 16 000 tons of lube oils are sold in Latvia each year. Neighbour countries Estonia and Lithuania produce 30 000 extra. There is no such recycling business in Baltic's yet. Our project is intended to recycle 4 000 tons per year with built-in possibility to double capacity without major reconstruction. Used oils will be collected locally but ready products - high quality ready lubricants: motor, transmission, hydraulic oils - sold to EU countries. All necessary supply and sale contracts are signed.

Recycling equipment will be bought from German supplier specialized in this activity since 1963 and installed more than 50 similar plants all over the world. There is significant possibility to get EU grant and cover up to 60% of project expenses corresponding to equipment purchase, (re)construction and infrastructure.

Capital required is 2.5 millions Euros in exchange for the equity in the company and/or long term credit line facility.

Project authors are Ilya Antonov and Svetlana Kiselova. Mr. Antonov is a business oriented engineer having more than 10 years in the lubricant sales and production industry. He possesses expertise in the technology and market, as well as extensive network and relationship with people from oil industry of the region. Mrs. Kiselova is finance and business development oriented businesswoman having expertise in finance, project development and relationship with local authorities

Proliferating oil prices push lubricant prices up and we expect the combination of mere expenses and high end product prices will exist in visible future.

Project could be multiplied in Bulgaria, Romania, Ukraine and Russia as market conditions are the same.

For the full detailed plan and financial projections please contact Mr. Ilya Antonov by phone +371 26451451 or e-mail: oils@navigator.lv.